



February 15, 2012

Honorable Michael McGinn
Mayor of Seattle
Mayor's Office
P.O. Box 94749
Seattle, WA 98124-4749

Honorable Dow Constantine
King County Executive
King County Chinook Building
401 5th Ave. Suite 800
Seattle, WA 98104

Dear Mayor McGinn and Executive Constantine,

Over the past nine months my representatives and I have met with City and County officials to discuss our proposal to return the NBA to this community by developing a new, state of the art multi-purpose arena in Seattle's stadium district that could be home to NBA and NHL franchise teams. During this time I asked that our discussions be kept in confidence as we assembled the necessary real estate and examined potential financing options. With these initial hurdles now completed, I would like to personally thank you both for your cooperation and leadership and am happy to put forth a development proposal that I believe meets the requirements articulated by both City and County leadership for a truly public-private partnership which, above all else, protects the Seattle and King County taxpayers. As such, the major principles of our plan are as follows:

- No public funds will be committed until NBA and NHL franchises have been designated for the Seattle/King County community.
- Public participation will be limited to financing based on arena-generated revenue – revenue that would not exist but for the development and operation of the new arena.
- The arena will self-finance entirely through new revenue streams - without any new taxes.
- The City and County will be protected from construction cost overruns or operating revenue shortfalls over the life of the facility.
- The arena will be a publicly owned, multi-purpose facility that hosts a variety of recreational and cultural events for the benefit of the entire region.

In order to achieve the goals articulated above, we plan to raise over \$500 million in private investment for the facility and purchase of an NBA franchise. If successful, we believe our

effort would represent one of the largest private investments ever made in a new arena in North America and would provide a significant source of job and economic growth for the region.

As you can appreciate, completing this phase has required a large capital investment to assemble the real estate and develop this proposal. This phase has been undertaken without any assurances from the NBA or the NHL of returning to or placing a team in our proposed complex. Having said that, I am confident this proposal will be looked on favorably by both leagues and sincerely believe that together we can accomplish the goal of securing NBA and NHL franchises for our community.

As you are reviewing the Arena Project proposal and determining the path forward, I intend to broaden the owner/partners involved in this effort, reaching out to local partners first and to those who share my commitment to operating the arena and sports franchises in a way reflective of Seattle and King County values.

I realize that this proposal must now undergo a thorough public vetting, and I look forward to working with you and your respective councils as that process gets underway. It is our hope that this will proceed at a pace that will allow us to make a formal offer to the NBA at the league's April ownership meeting, with the goal of returning a professional basketball franchise to this area in the near future.

Importantly, I am aware that a new state of the art arena could further impact the operations of Seattle's Key Arena. Having grown up here, I appreciate the significance of the Key to Seattle and believe there are ways to address those impacts in a way that benefits both venues. Our proposal includes funding for a study of ways Key Arena can be modified to keep it a vibrant and revenue positive part of Seattle Center.

In closing I want to voice my deep appreciation of the good faith efforts put forth by you and your teams. I have the greatest confidence that if future discussions with the City and County continue on this same productive path, professional basketball will soon return to my hometown of Seattle.

Sincerely,

A handwritten signature in black ink, consisting of a stylized capital 'A' followed by a long horizontal line extending to the right.

Chris Hansen